ORGANIZATIONAL EXCELLENCE
Critical Acquisitions On Schedule

Federal Aviation Administration

FY 2008 Performance Target

"Make sure 90 percent of critical acquisition programs are on schedule. "

Flight Plan Objective and Performance Target

Objective 3: Make decisions based on reliable data to improve our overall performance and customer satisfaction.

Performance Target: By FY 2008, 90 percent of major system acquisition investments are on schedule and maintain through FY 2012.

	FY 2004[1]	FY 2005	FY 2006	FY 2007	FY 2008
Target	80.00%	80.00%	85.00%	87.50%	90.00%
Actual	91.50%	92.00%	97.44%	97.00%	

[1] The result for FY 2004 was rounded up to 92% in the DOT PAR.

Definition of Measure

Unit of Measure: Percentage of programs meeting 90 percent of milestones.

Computation: Schedule performance is measured by dividing the total number of milestones for the current fiscal year that actually met their scheduled dates by the total number of milestones planned for the current fiscal year. The total number of milestones that can be missed and remain within the 90.0 percent performance measure will vary each fiscal year.

Formula:
$$\frac{\text{Total Number of Milestones Met}}{\text{Total Number of Milestones Tracked}}$$

Scope of Measure: FAA's Air Traffic Organization (ATO) Service Units select specific milestones and completion dates against programs that are determined to provide a capital asset to the NAS. For FY 2008, 98 selected critical milestones will be tracked against 51 acquisition programs. Eighty-eight milestones must meet their targeted date to be within 90.0 percent of the performance goal. Most of the programs selected are considered "major" and must submit an Exhibit 300. Those that do not provide Exhibit 300's are included because they provide an asset to the NAS with a useful life of more than two years. The designation of "critical acquisition programs" in the title of the performance target expresses the critical value of the program to the NAS. The schedule measure is set to only those milestones selected at the beginning of the current fiscal year. Once the selected milestones are approved, no milestones are added or deleted during the year. Beginning in FY 2009, the FAA National Airspace System Capital Investment Plan will address program performance against the total program acquisition baseline. This report will document the agency's performance in compliance with the *Federal Aviation Reauthorization Act of 1996*, PL 104-264, Section 252 - Air Traffic Control Modernization Reviews.

Why the FAA Chooses this Measure

The Critical Acquisitions on Schedule target represents a progressive measure for each fiscal year of the performance of critical FAA acquisition programs. The performance measure began in FY 2003 and will continue each fiscal year through the acquisition of the selected programs. The performance target increased each year until it reached 90 percent in FY 2008. This progressive increase from 80 percent in FY 2003 to 90 percent in FY 2008 ensures that the FAA's acquisition performance is consistent with targets set in *The Department of Transportation Strategic Plan 2006-2011*. Reaching the 90 percent target by FY 2008 will also ensure that FAA performance goals meet the *Federal Acquisition Streamlining Act of 1994, Title V*

(FASA V). This Act requires agencies to establish, cost, schedule, and measurable performance goals for all major acquisition programs and achieve 90 percent of those goals.

Source of the Data

ATO tracks and reports status of all schedule and cost performance targets using an automated database. ATO Service Units provide a monthly Red, Yellow, or Green assessment that indicates their confidence level in meeting their established milestones. Comments are provided monthly that detail problems, issues, and corrective actions to ensure milestones and cost are maintained within the established performance target. The performance status is reported monthly to the ATO Executive Committee through the ATO Strategic Management Process (SMP) and to the FAA Administrator through FAA Flight Plan meetings.

Statistical Issues

The programs that are selected each fiscal year represent a cross section of programs within the ATO. They include programs that have an Exhibit 300 as well as what is referred to as "buy-by-the-pound" programs. The latter are typically not required to undergo a standard acquisition life cycle process. There is no bias with the selection of milestones. The milestones selected represent the program office's determination as to what effort they deem "critical" or important enough to warrant inclusion in the Acquisition Performance goal for the year. Typically there are anywhere from two to four milestones. Interim milestones are also tracked but not included in the final performance calculation.

Completeness

This measure is current with no missing data. Each DOT organization maintains its own quality control checks for cost, schedule, and technical performance data of each major systems acquisition in accordance with OMB Circulars A-11, A-109, and A-130, Federal Acquisition Regulations, and Departmental orders implementing those directives and regulations.

Reliability

Each DOT organization having major system acquisitions uses the data during periodic acquisition program reviews, for determining resource requests. They are also used during the annual budget preparation process, for reporting progress made in the President's budget and for making key program management decisions. The monthly status is reported through the SPIRE database and included in monthly high-level management reviews. Since the Acquisition Performance target is a fiscal year performance measure the specific milestone and date selected is set at the beginning of each fiscal year and not changed. The ATO Executive Council must approve all requested changes. Once the milestone is approved it is reported on with detailed commentary each month, and assigned a Red, Yellow, or Green confidence indicator that the milestone will be met on schedule. These detailed reports are reviewed at all levels of the appropriate Service Unit, Executive levels, within the ATO and up to FAA Administrator.